



Economic Impact Interim Committee Meeting

NDDOT
North Dakota
Department of Transportation

July 31, 2013
Director Grant Levi, P.E.

Overview

- Transportation funding
- Planning
- Present transportation projects
- Present challenges
- Future challenges

Transportation Funding

- Federal Funding
- State Funding

Federal Funding

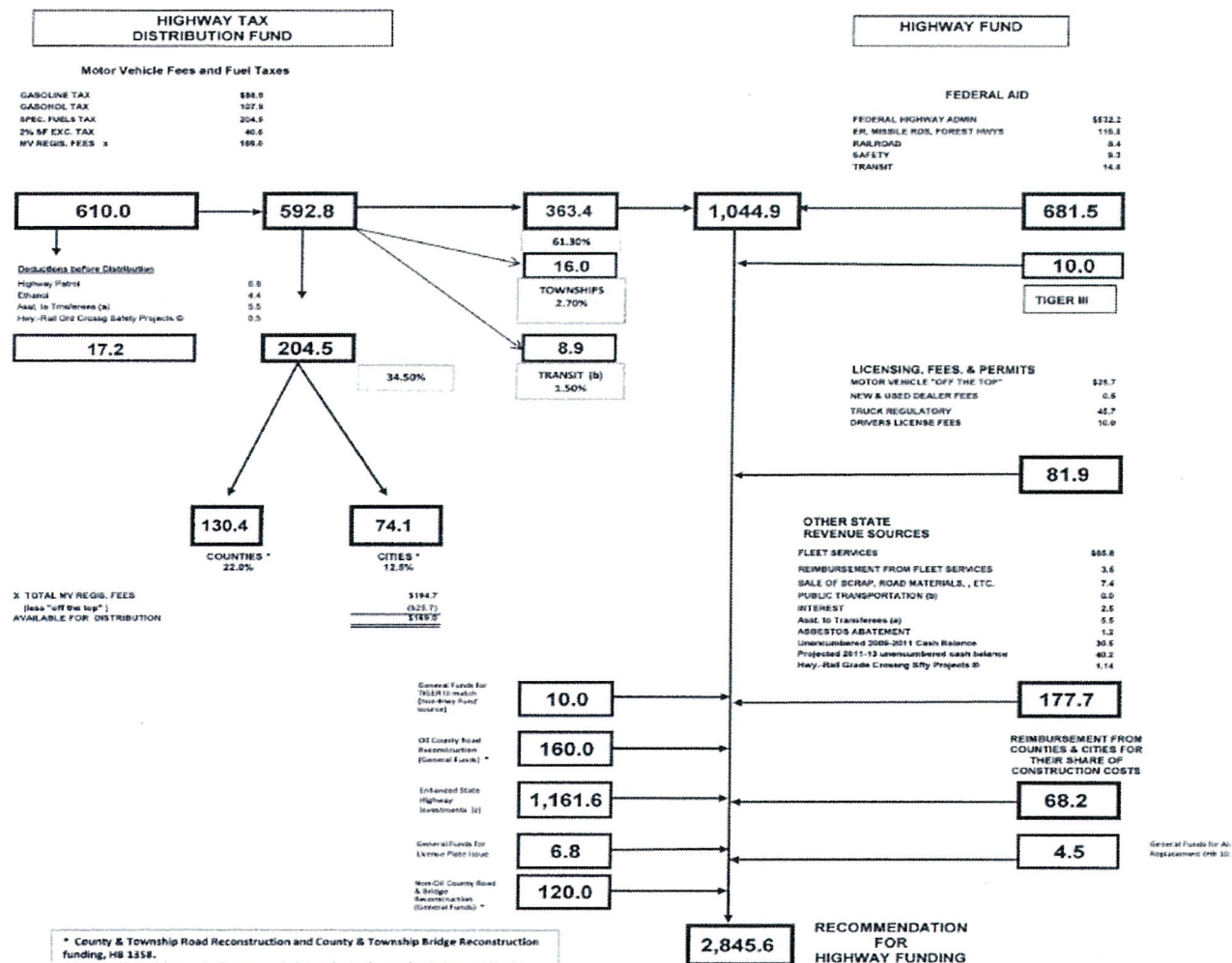
MAP-21 Bill

- Map 21 is a two-year bill signed into law July 6, 2012.
 - Bill expires September 30, 2014.
- The bill states North Dakota has an apportionment of:
 - \$240.5 million in 2012 and 2013.
 - \$242.5 million in 2014.
- We were notified in April that North Dakota will receive approximately \$229.3 million in obligational authority for 2013.
- We are waiting for 2014 obligational authority information.

State Funding

Attachment A

DEPARTMENT OF TRANSPORTATION ENROLLED SB 2012, SB 2176, HB 1358, & HB 1033 2013 - 2015 BIENNIUM REVENUE (MILLIONS)



* County & Township Road Reconstruction and County & Township Bridge Reconstruction funding, HB 1358.
(b) HB 1142 provides continuing appropriation authority for any funds deposited in the public transportation fund.
(c) SB 2176 appropriated \$620 million from the General Fund, and SB 2012 appropriated \$541.6 million General Fund moneys be transferred to the Highway Fund.

State Funding

Highway Tax Distribution Fund Revenue (millions)

| | <u>Enrolled 2011-2013</u> | <u>Enrolled 2013-2015</u> | <u>Difference</u> |
|---------------------------------|-------------------------------|-------------------------------|-------------------|
| Gasoline Tax | \$ 65.2 | \$ 88.0 | \$ 22.8 |
| Gasohol Tax | \$104.5 | \$107.9 | \$ 3.4 |
| Special Fuels Tax | \$106.0 | \$204.5 | \$ 98.5 |
| Two Percent SF Excise Tax | \$ 21.0 | \$ 40.6 | \$ 19.6 |
| Motor Vehicle Registration Fees | <u>\$130.2</u> | <u>\$169.0</u> | <u>\$ 38.8</u> |
| | \$426.9 | \$610.0 | \$183.1 |

Transportation Funding

Local funding that cities and counties obtain through various programs such as:

- Mill Levies
- Special Assessments
- Taxes and Fees

Transportation Funding

State Funding

NDDOT Funding for 2013-15 Biennium

- Thank you for recently appropriating approximately \$2.3 billion to rebuild and repair state highways, city, county and township roads, bypass routes, bridges and other infrastructure upgrades in every region of the state.

Transportation Funding

State Funding

NDDOT Funding for 2013 – 2015 BIENNIUM (SB 2012, SB 2176, HB 1358)

| Funding | West Region (\$ Millions) | Central and East Regions (\$ Millions) | Total (\$ Millions) |
|---|------------------------------|--|------------------------|
| State Funds for State Highways - SB 2012/SB 2176 | \$1,161.6 M | --- | \$1,161.6 M |
| STIP (2013 -2014) - SB 2012 (Fed funds, state & local match) | \$148.8 M | \$450.0 M | \$598.8 M |
| ER Carryover (from 2011-2013 biennium) – SB 2012 | \$31.1 M | \$77.0 M | \$108.1 M |
| State Funds Non-Oil Producing counties, cities and townships - SB 2176 | | \$100.0 M | \$100.0 M |
| State Funds Non-Oil Producing Counties - HB 1358 | | \$120.0 M | \$120.0 M |
| State Funds Oil Producing Counties - HB 1358 | \$160.0 M | --- | \$160.0 M |
| State Funds Oil Impact Township Roads - HB 1358 | \$8.8 M | --- | \$8.8 M |
| Total 2013- 2015 Biennium | \$1,510.3 M | \$747.0 M | \$2,257.3 M |

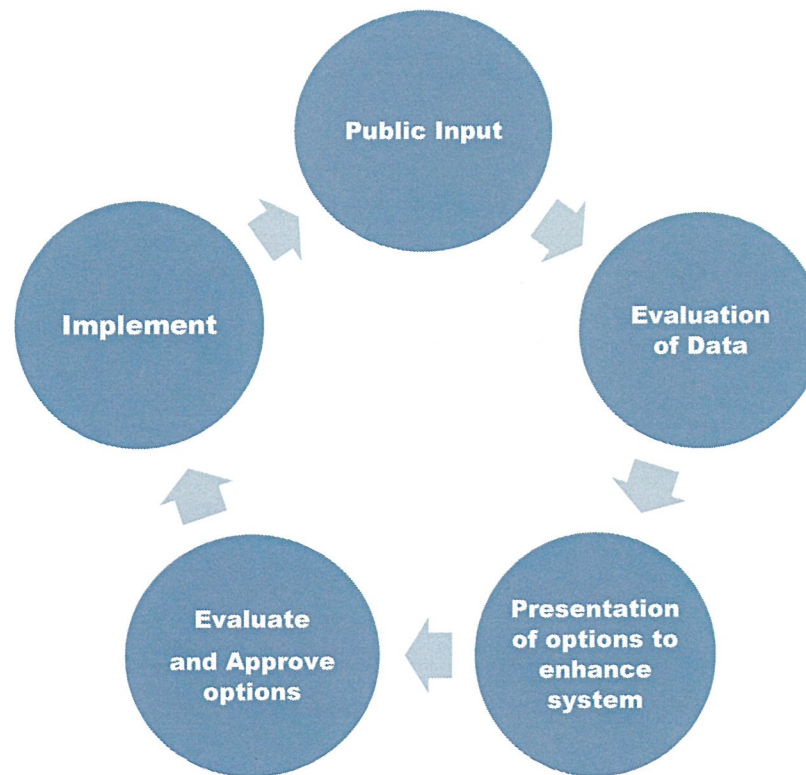
Senate Bill 2176 Funding

- Thank you for passing Senate Bill 2176. It provides \$720 million immediately for statewide highway and road improvement projects.
 - \$620 million of General Fund money for state highway projects.
 - \$100 million in General Fund money to the treasurer to be used by the cities, counties, and townships in the non-oil producing counties.
- Some key road projects would have been delayed until the following year.
- We started bidding roadway projects in February.

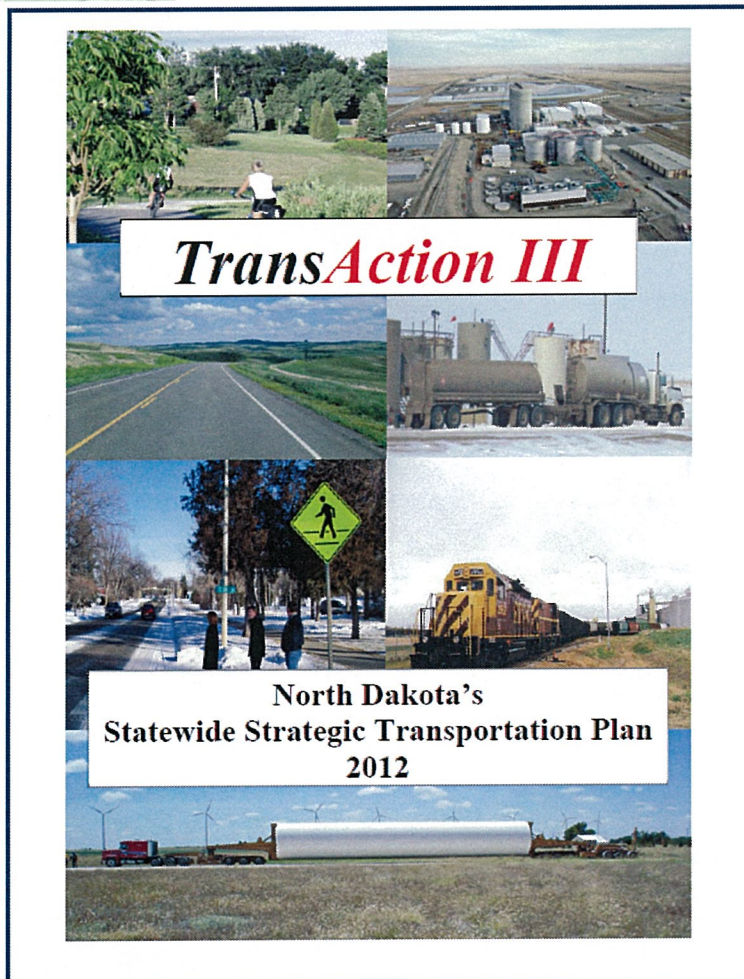


Planning

NDDOT utilizes several tools in the planning process including:



Planning



TransAction III was developed to be applicable to all governmental entities and private sector entities within the state. It is implemented through a partnership of NDDOT working with federal, local, tribal governments and agencies, and members of the private sector.

Mission

North Dakota will provide a safe, reliable, and sustainable transportation system.

Vision

North Dakota's multimodal transportation system is strategically developed and globally integrated.

Goals

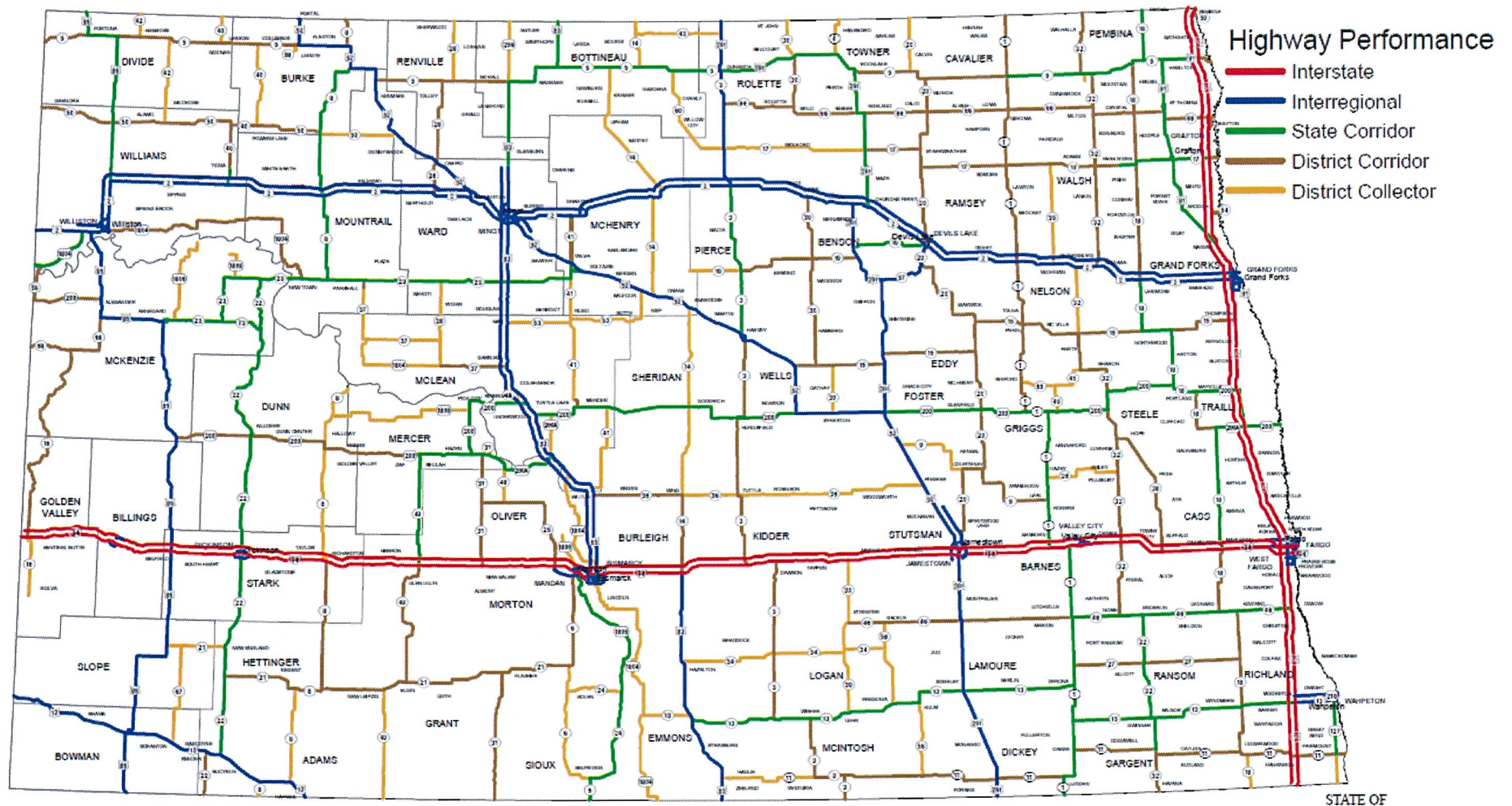
North Dakota's transportation personal and freight mobility goals are interdependent, mutually supportive, and apply to our transportation system's infrastructure and services.

Planning

The DOT works in partnership with Upper Great Plains Transportation Institute to look at statewide needs and traffic modeling.



Highway Performance Classification System



The HPCS concept was adopted by the state legislature in 2005.

Highway Performance Classification System

Interstate System

Maintaining a high degree of reliability and mobility on these highways is critical to support and promote international, national, regional and statewide trade and economic activity. Movements are primarily long-distance, interstate and intrastate traffic. Rural Interstates are multiple-lane (usually four) facilities and have full access control. The goal is to be free of height restrictions and provide for the unrestricted movement of legal loads. Ride and distress scores are generally in the good to excellent categories. High volumes of traffic, as well as a high percentage of trucks, are relatively consistent year round. Travel speeds average 65 to 75 miles per hour. Rural Interstates demonstrate a high degree of safety with crash rates below the statewide average.

Interregional System

Maintaining a high degree of reliability and mobility on these highways is critical since they support and promote international, national, regional and statewide trade and economic activity. Movements on these highways are primarily long-distance, interstate and intrastate traffic. Interregional System highways are either two-lane or multiple lane facilities. Segments or specific locations may have partially controlled access. The goal is to be free of height restrictions, provide for the unrestricted movement of legal loads, and have limited passing restrictions. Accommodating truck traffic is a priority. Ride and distress scores are generally in the good to excellent categories. Moderate to high volumes of traffic, as well as a high percentage of trucks, are relatively consistent year round. Daytime travel speeds average 60 to 70 miles per hour. The Interregional System demonstrates a high degree of safety with crash rates below the statewide average.

State Corridor

Maintaining a moderately high degree of reliability and mobility on these highways is critical since they support the movement of agricultural commodities, freight, and manufactured products within the state. State Corridors provide connectivity between lower and higher level roadways. Movements on these highways are primarily medium-distance intrastate traffic. State Corridors are typically 2-lane facilities and have segments or locations with partially controlled access. These highways have either paved or aggregate shoulders, some segments may have limited passing zone restrictions, and load limits are restricted by legal weights. Bridges and overhead structures provide for the unrestricted movement of legal loads. Ride and distress scores are generally in the good category. Moderately high volumes of traffic are relatively consistent year round. Daytime travel speeds average 60 to 65 miles per hour. State Corridors demonstrate a moderately high degree of safety with crash rates less than the statewide average.

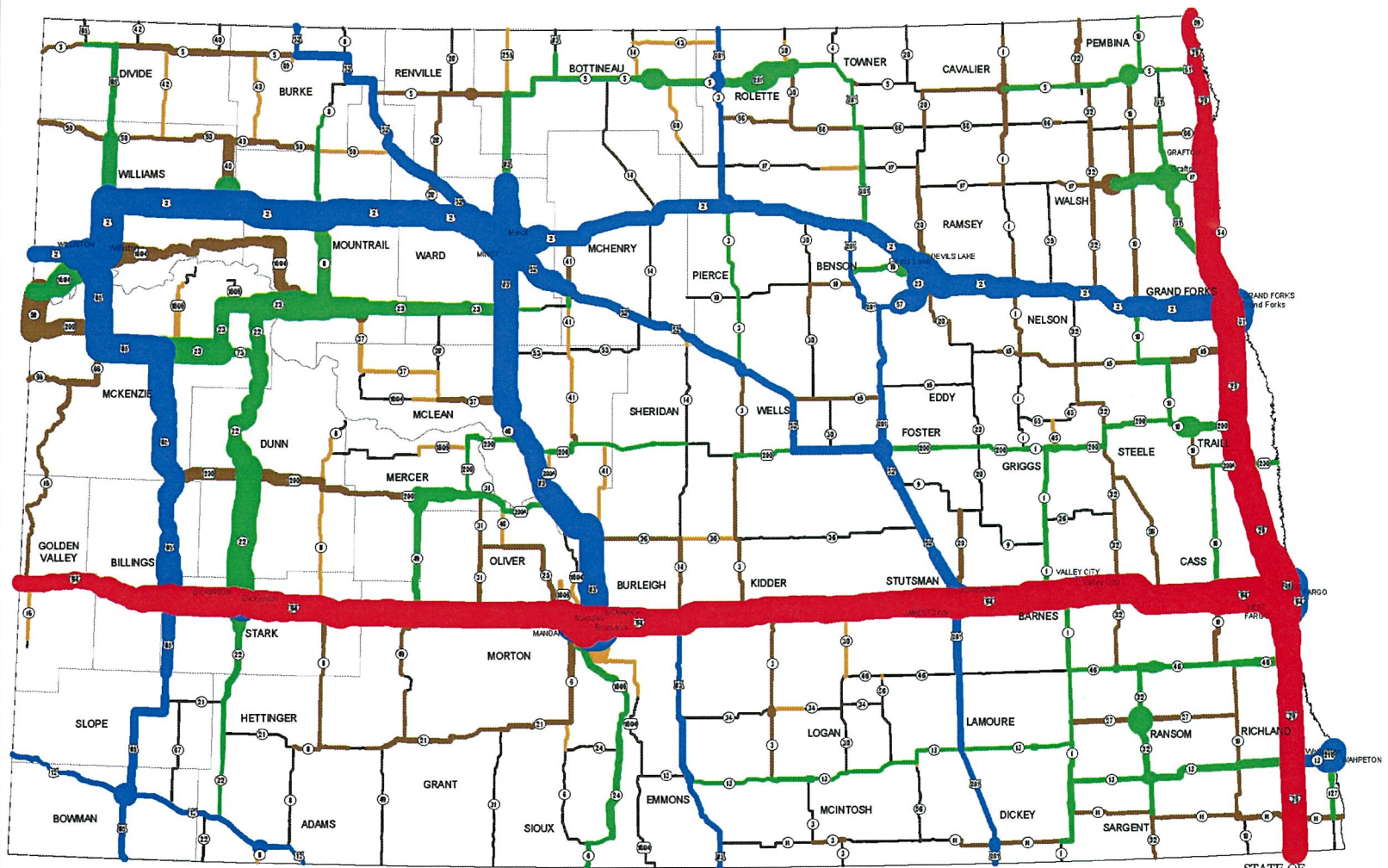
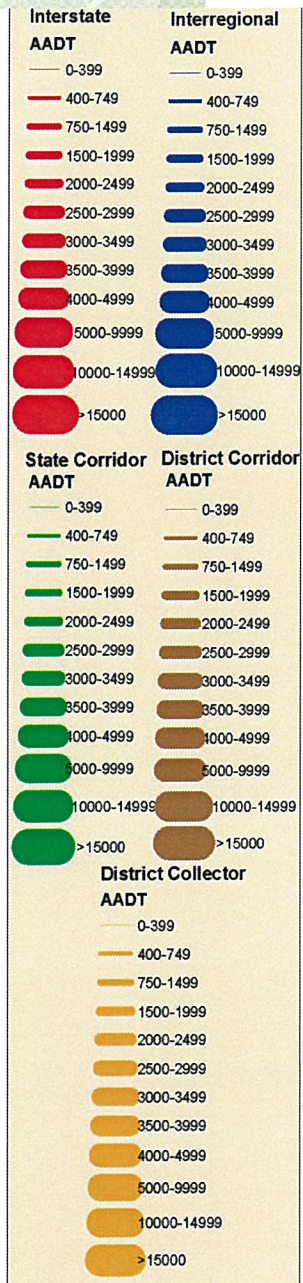
District Corridor

Maintaining a moderate degree of reliability and mobility on these highways is desirable. Movements on these highways are primarily short to medium distance intrastate traffic. District Corridors are two lane facilities. Generally, access control is not purchased. These highways have narrow paved or gravel shoulders, segments with restricted passing zones, and may be restricted to 8 or 7 ton seasonal load limits. Bridge structures provide for the unrestricted movement of legal loads. Ride and distress scores are generally in the fair and good categories. Moderate volumes of traffic are relatively consistent year round. Occasional increases in seasonal traffic volumes and truck movements occur. Daytime travel speeds average 55 to 65 miles per hour. District Corridors are safe highways with crash rates at or near the statewide average.

District Collector

Maintaining reliability and mobility on these highways is a lower priority. These highways are generally short routes that provide connectivity to the higher road level systems. Movements on these highways are primarily short distance, local, farm to market traffic. District Collectors are two lane facilities. Generally, access control is not purchased. These highways generally have no shoulders. Segments with restricted passing zones exist. Seasonal load limits of 7 or 6 tons are normal although some segments may have year round load restrictions. Bridge structures provide for the movement of typical legal loads. Some structures have load, height, and width restrictions. Ride and distress scores are generally in the fair category. Low volumes of traffic are normal year round. Small increases in truck movements may occur during spring planting and fall harvest periods. Daytime travel speeds average 50 to 55 miles per hour. District Collectors are safe highways with crash rates near the statewide average.

Average Annual Daily Traffic (Published 2013) Based on Available Traffic Count Rotation Data



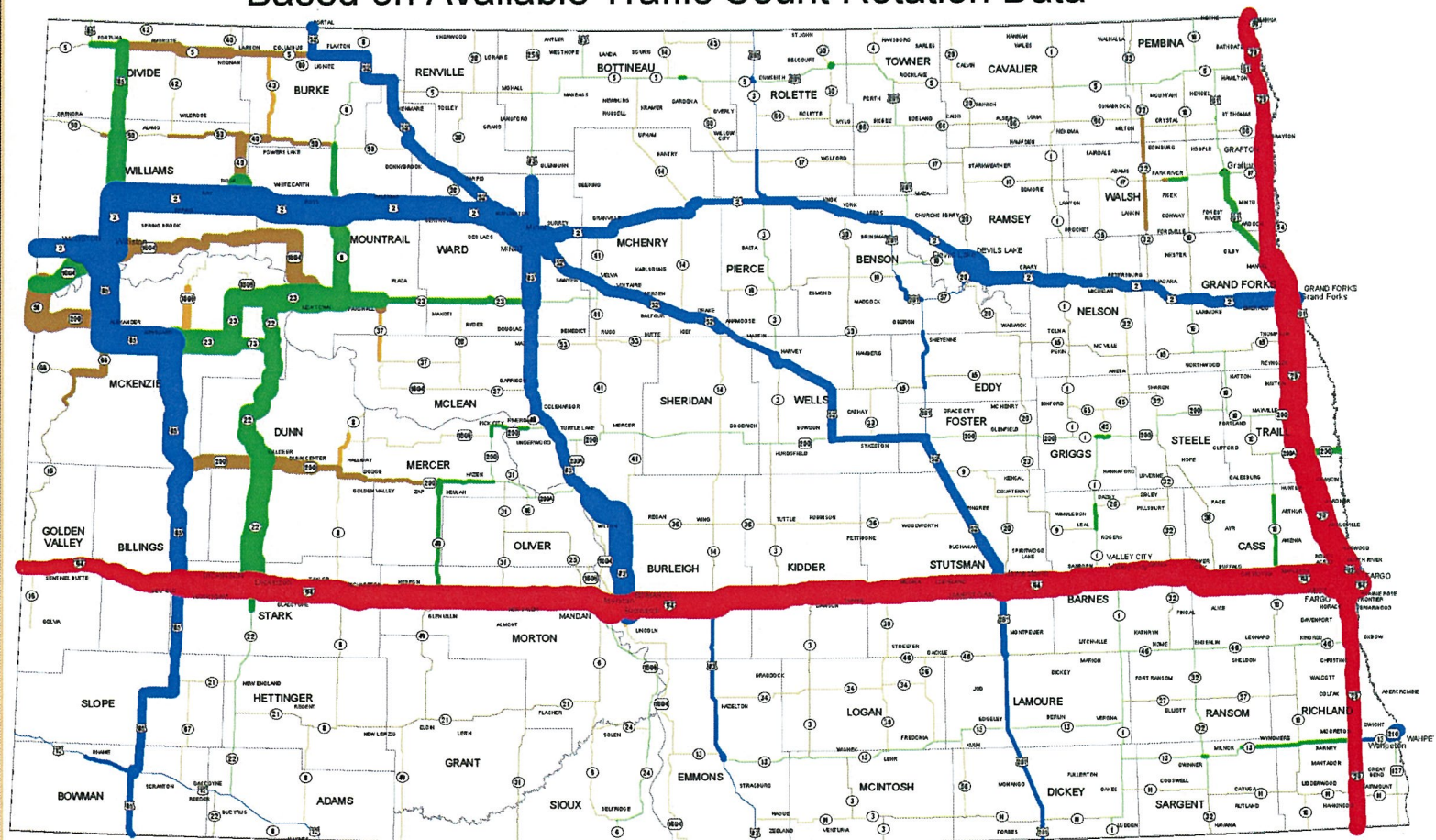
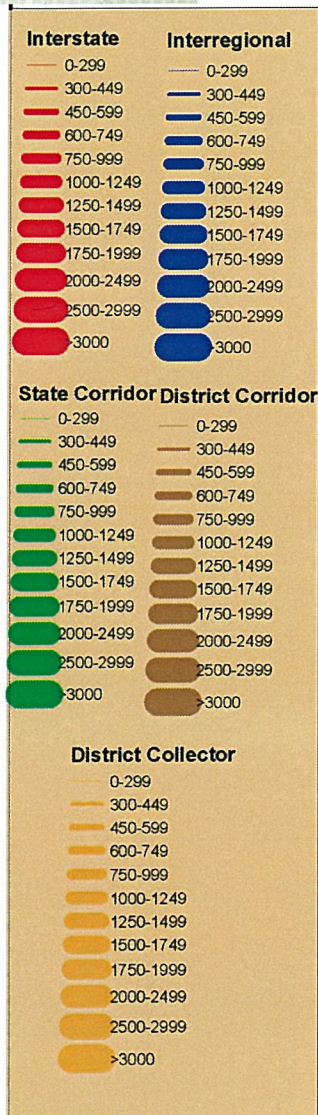
STATE OF
NORTH DAKOTA

PREPARED BY THE
NORTH DAKOTA DEPARTMENT OF TRANSPORTATION
PLANNING & PROGRAMMING DIVISION

IN COOPERATION WITH THE
U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION

07/03/2013

Average Annual Daily Truck Traffic (Published 2013) Based on Available Traffic Count Rotation Data



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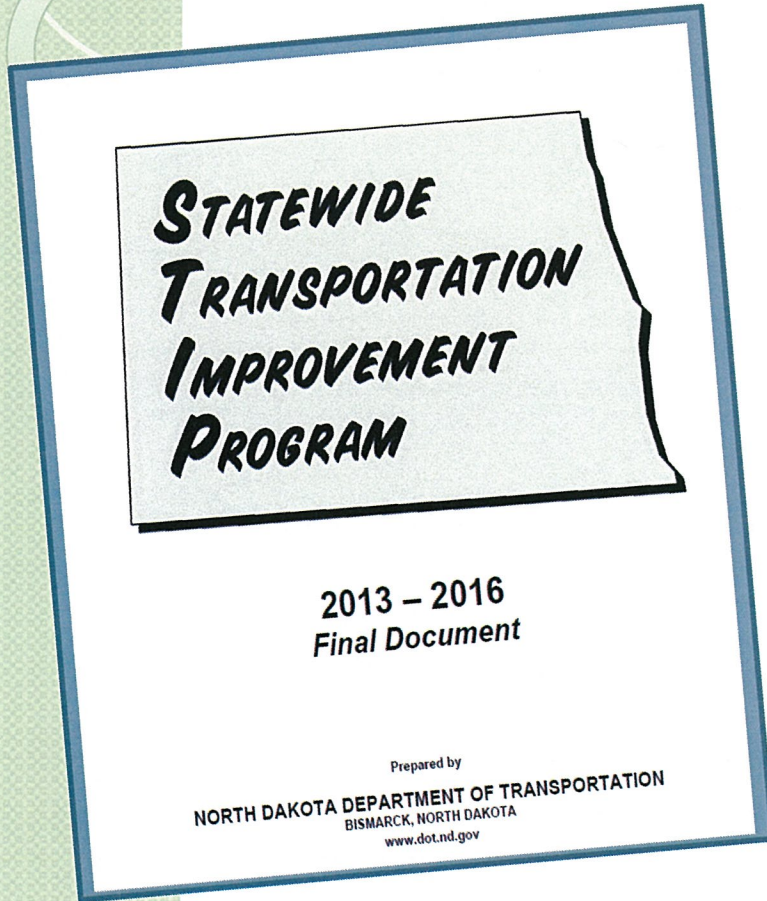
Planning

To determine which bridges and roadways require repairs and upgrades, the department uses a number of tools, including its Statewide Transportation Improvement Program (STIP).

The program details are available to the public on the NDDOT website in a comprehensive planning document that describes the department's plans for the federally funded highway and transit projects to be constructed in North Dakota from 2013 – 2016 (depending on the availability of funds).

The program requires coordination between state, city, tribal and county governments, and the public.

Listing each district in the state, the program stipulates what type of work is expected, and the total cost of each project, including where those funds will come from.

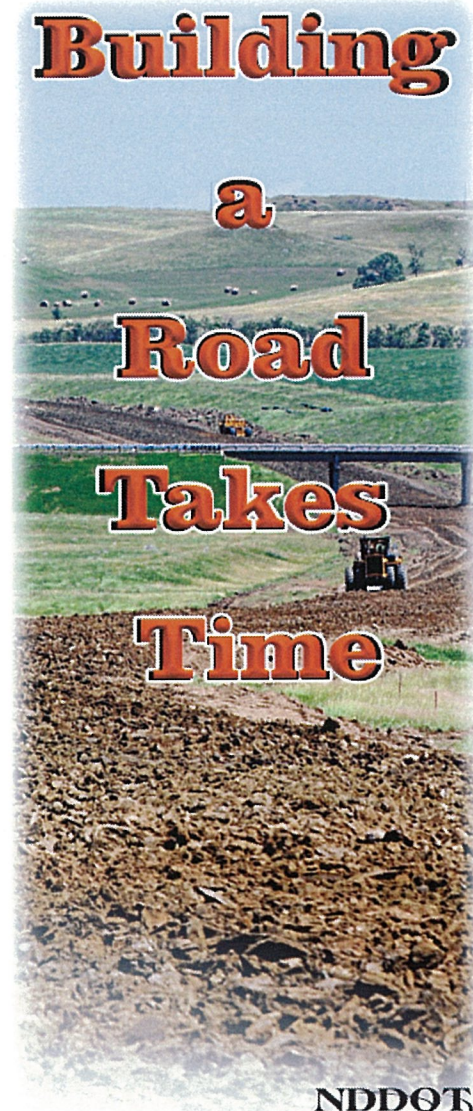


Project Development

Building a good network of roadways across the state to serve the public is a process that takes time and effort from many people.

Early in the process, the NDDOT uses short and long range plans in addition to pavement and bridge management systems to formulate the best direction for projects.

Knowing early the availability of state and/or federal funding is also an important component when planning projects. Working with local officials, agencies and the public throughout the road planning and construction process is essential.



Project Development

Completing a major road project requires following a series of steps or phases:

Planning and Programming Phase

Environmental and Survey Phase

Right of Way Phase

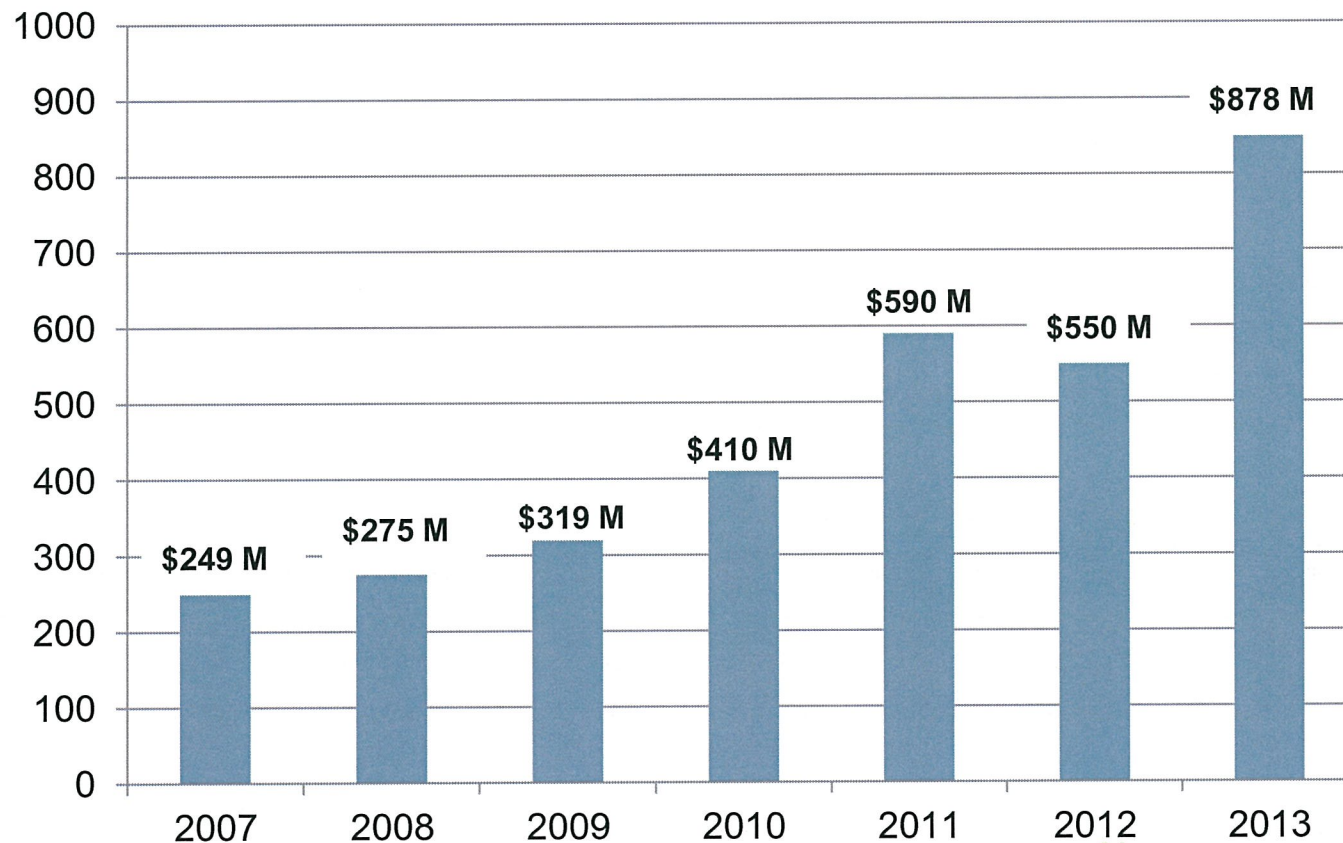
Design Phase

Construction Phase

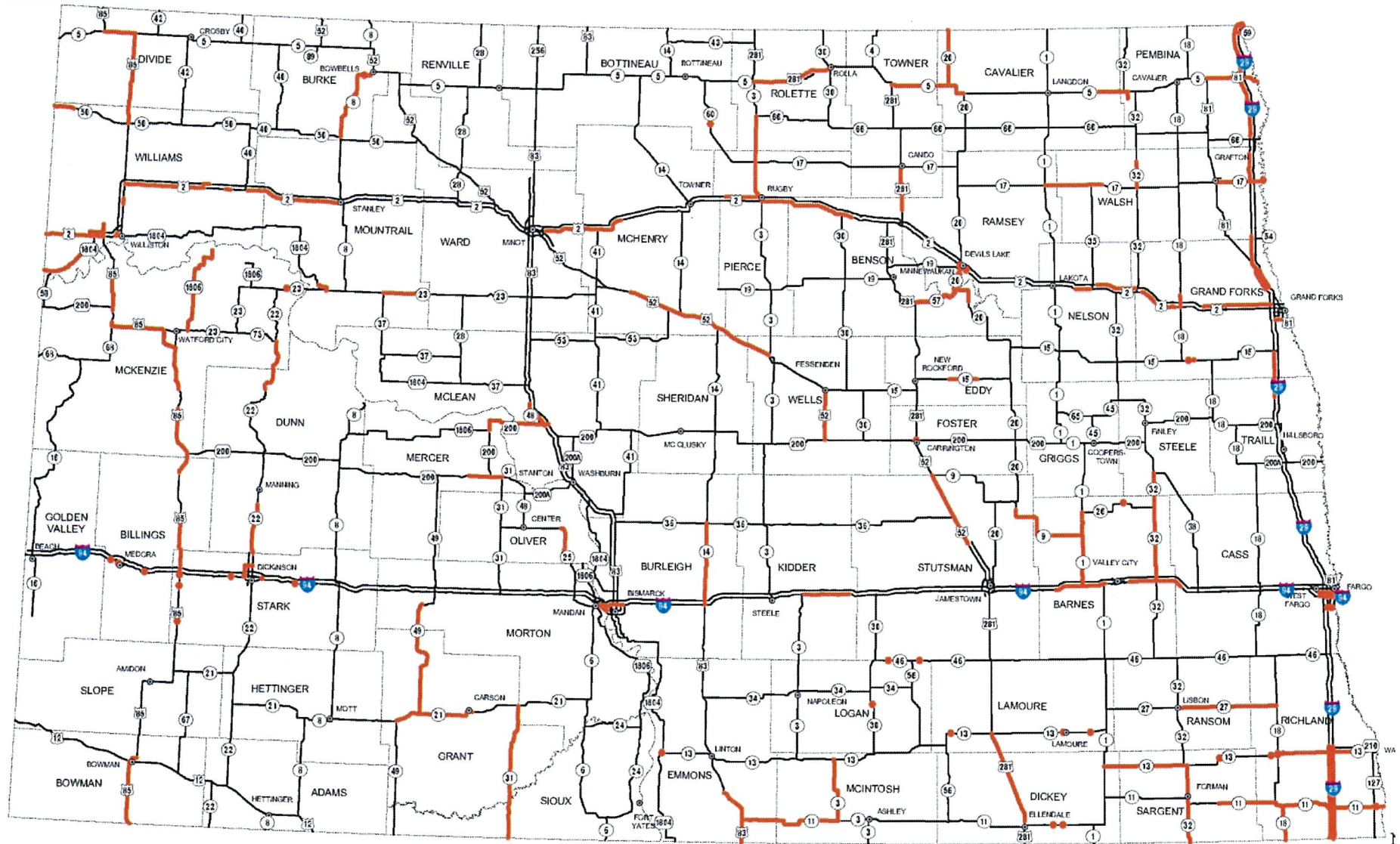
Historic Road Program launched

Working with our partners – county, city, township and tribal agencies - the Department will deliver the largest road construction program in state history, over \$878 million in projects during 2013.

NDDOT Construction Program



2013 Construction Projects



Present Challenges - Traffic

- **Increases in traffic:**

- Increased traffic volumes (particularly heavy trucks), accelerated the deterioration of county, township, tribal roads and state highways in the oil impact areas.
- From 2010-2012 North Dakota saw a 22% increase in traffic statewide, and a 53% increase in traffic in western N.D. on all state highways.
- I-94 near Fargo averaged 68,000 vehicles a day in 2012.
- US 85 west of Watford City averaged 11,051 vehicles a day in 2012 compared to 2,322 in 2006.



Interstate 94 Traffic near Fargo

Present Challenges

System Condition

System Condition:

- Increased traffic volumes, (particularly heavy trucks), have accelerated the deterioration of state highways in the oil impacted areas. Roadways in the western part of the state were originally built to handle agriculture traffic (small grains and ranching) and were not built to carry the heavy loads associated with oil development.
- The picture illustrates damage that has occurred on US 85 due to increased heavy truck traffic.

US 85



Present Challenges

System Condition



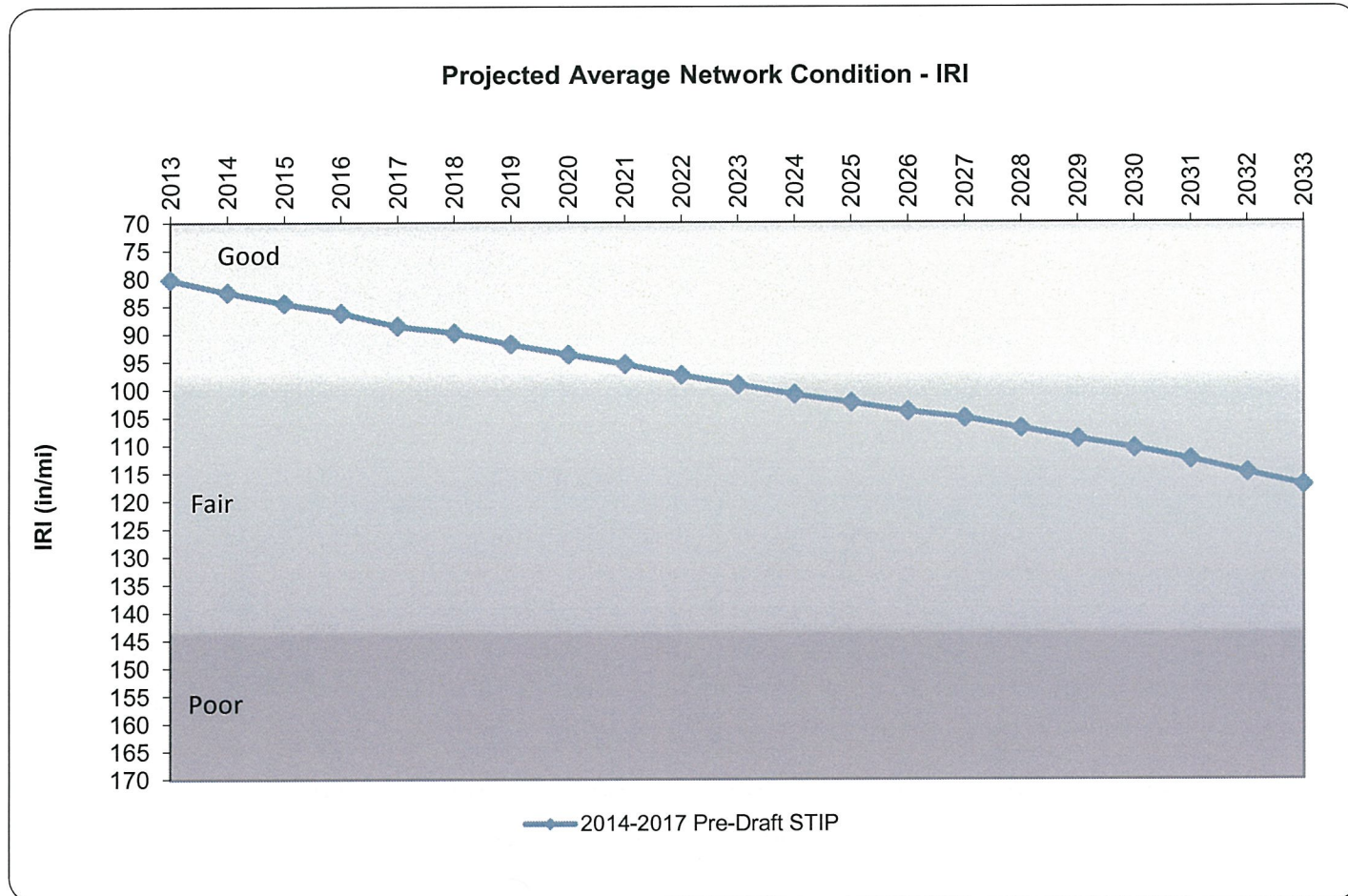
ND Highway 1806 on September 2, 2010



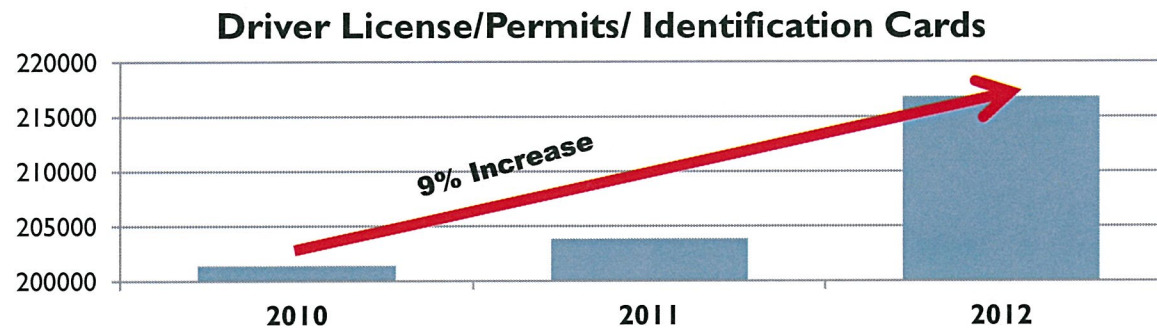
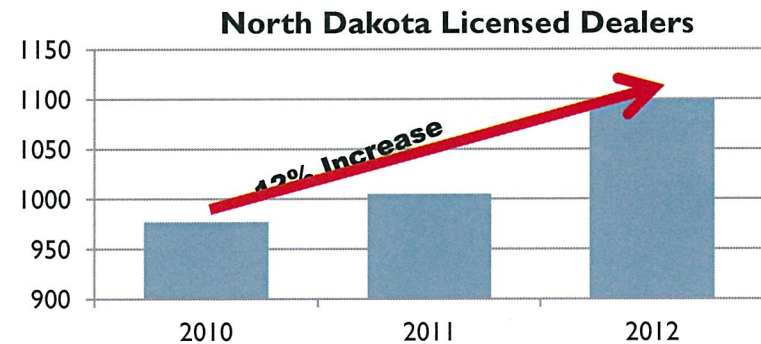
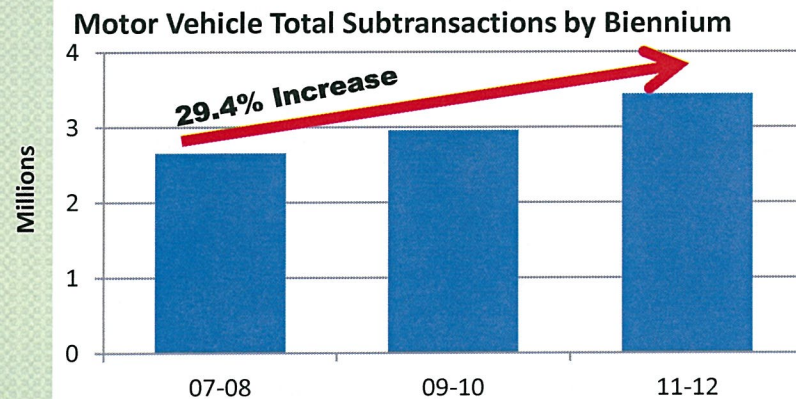
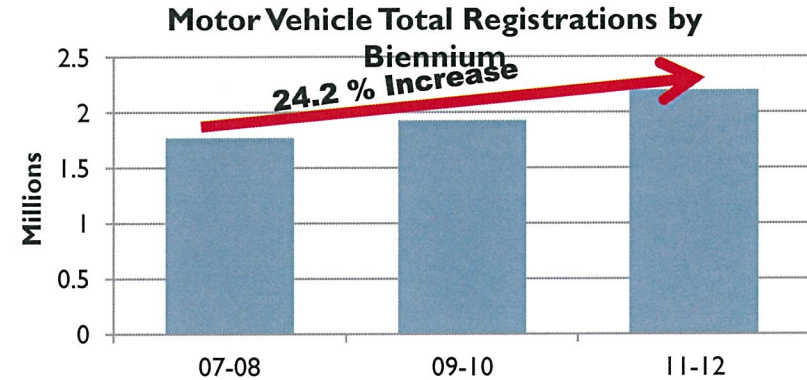
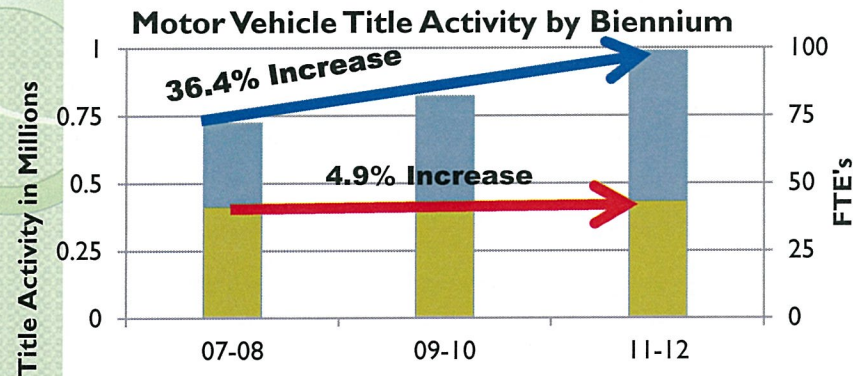
ND Highway 1806 on April 28, 2011-After 7 months of traffic

Present Challenges

Pavement Condition



Present Challenges



Present Challenges - Safety

In 2012 there were 170 fatalities, compared to 148 fatalities in 2011.

As of July 22, 2013 there have been 73 fatalities, compared to 79 fatalities this time last year.

► **Top three contributing have been:**

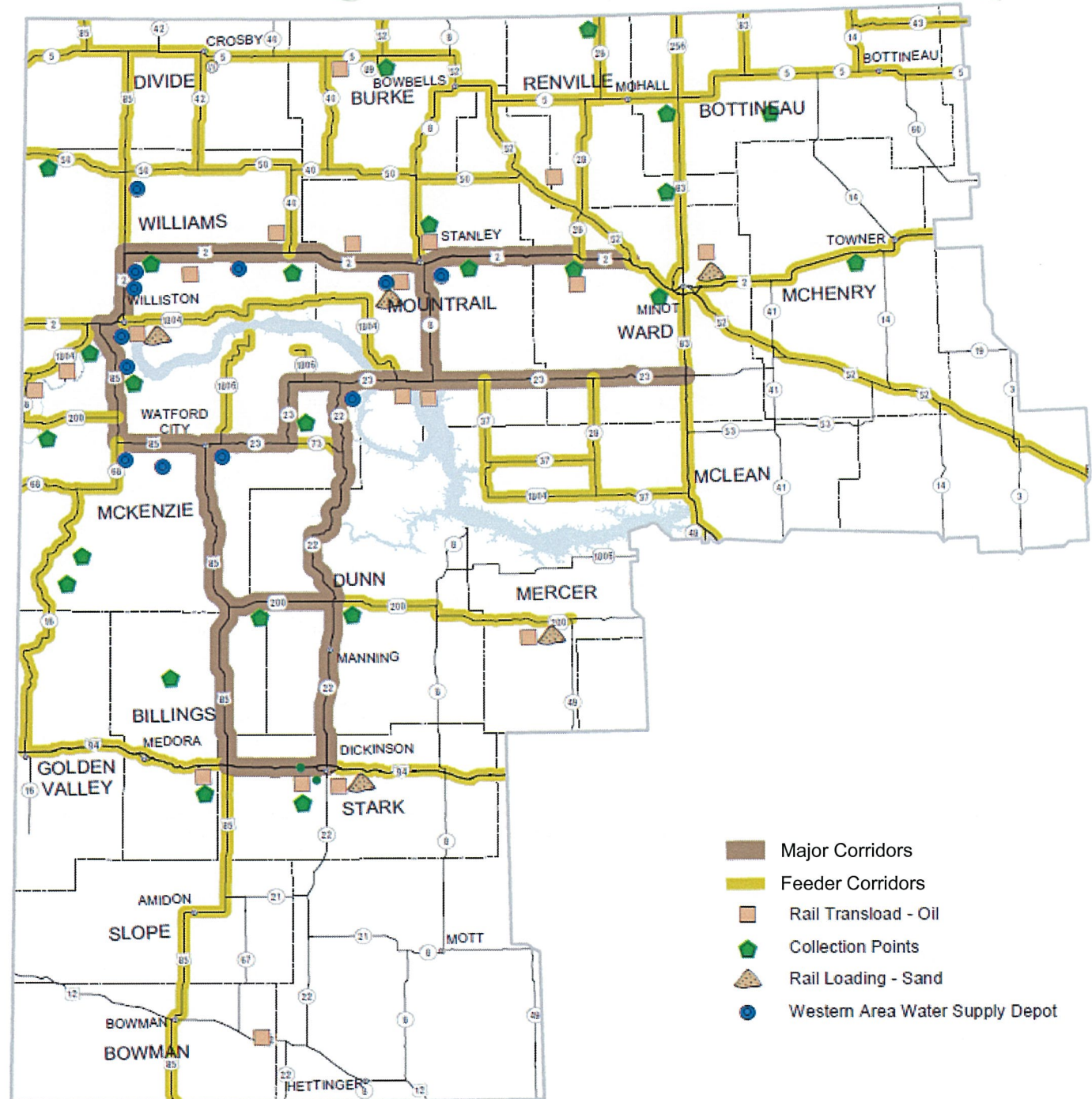
- 50% alcohol related
- 66% unrestrained (no seat belts)
- 29% speed related



Future Challenges

- Develop Highway Energy Corridors – New economy and approach similar to Agriculture system in the east with load free corridors
- Meeting goals of HPCS on statewide basis.
- Safety
- Access - Land Use Management
- Federal Funding
- Federal rules and regulations.

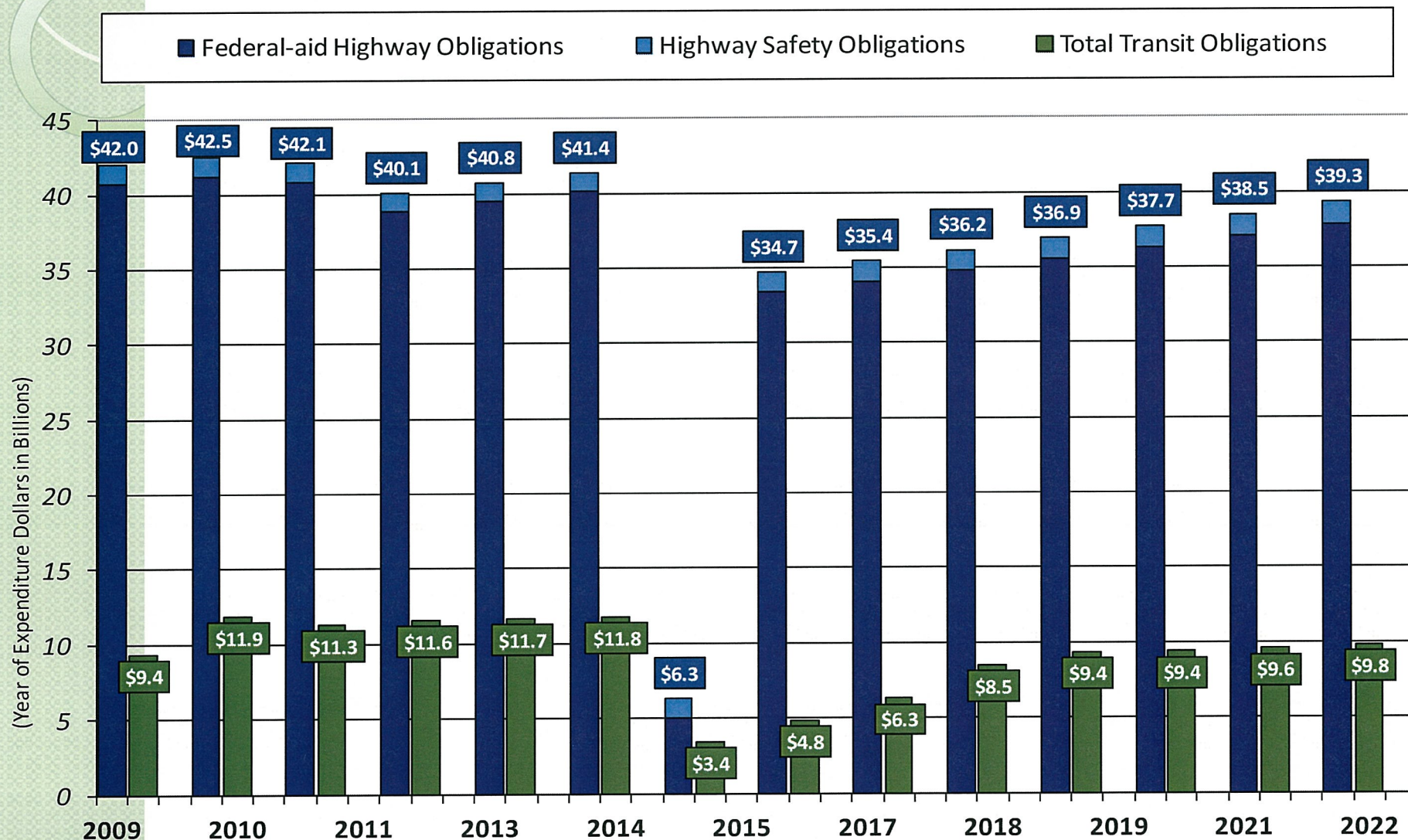
Western ND Highway Energy Corridors



Uncertainty of Federal Funding

Federal Highway and Transit Needs and Obligations Through 2022

Assumes a minimum balance of \$2 billion for the Highway Account and \$.25 billion for the Mass Transit Account



National Transportation Revenue Study

National Surface Transportation Policy and Revenue Study Commission (2008):

- 12 Member bipartisan Commission
- Need to significantly increase investment in surface transportation from all sources (Federal, state, local, & private)
- Recommended increasing the federal gas tax between 25 & 40 cents (5-8 cents per gallon, per year) phased in over time
 - Short-term solution
- Other Funding recommendations
 - Tolling and Congestion Pricing
 - Freight fees
 - Public private partnerships
- Long-term funding
 - Vehicle Miles Travelled (VMT) Fee as an alternative to federal motor fuel taxes



Questions?

Thank You !

NDDOT
North Dakota
Department of Transportation

(MILLIONS)

HIGHWAY FUND

FEDERAL AID

| | |
|------------------------------|---------|
| FEDERAL HIGHWAY ADMIN | \$532.2 |
| ER, MISSILE RDS, FOREST HWYS | 116.8 |
| RAILROAD | 8.4 |
| SAFETY | 9.3 |
| TRANSIT | 14.8 |



RECOMMENDATION FOR HIGHWAY FUNDING